

**PROPERTY ASSESSMENT APPEAL BOARD**  
**FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER**

PAAB Docket No. 2021-077-00422I

Parcel No. 080/05707-001-000

**Mark Charles Daggy,**

Appellant,

vs.

**Polk County Board of Review,**

Appellee.

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**Introduction**

The appeal came on for hearing before the Property Assessment Appeal Board (PAAB) on April 22, 2022. Mark Daggy is self-represented. Assistant Polk County Attorney Dominic Anania represents the Board of Review.

Mark and Lee Ann Daggy own a commercially classified property located at 1632 Ohio Street, Des Moines, Iowa. Its January 1, 2021, assessment was set at \$186,000, allocated as \$25,900 in land value and \$160,100 in building value. (Exs. A & B).

Daggy petitioned the Board of Review claiming the property is assessed for more than the value authorized by law; that there is an error in the assessment, and that there is fraud or misconduct in the assessment. Iowa Code § 441.37(1)(a)(1)(b, d, & e) (2021). (Ex. C). The Board of Review denied the petition. (Ex. B).

Daggy then appealed to PAAB with the single claim that his property is assessed for more than the value authorized by law. § 441.37(1)(a)(1)(b).

**General Principles of Assessment Law**

PAAB has jurisdiction of this matter under Iowa Code sections 421.1A and 441.37A. PAAB is an agency and the provisions of the Administrative Procedure Act apply. § 17A.2(1). This appeal is a contested case. § 441.37A(1)(b). PAAB may consider any grounds under Iowa Code section 441.37(1)(a) properly raised by the

appellant following the provisions of section 441.37A(1)(b) and Iowa Admin. Code R. 701-126.2(2-4). New or additional evidence may be introduced. *Id.* PAAB considers the record as a whole and all of the evidence regardless of who introduced it.

§ 441.37A(3)(a); *see also Hy-Vee, Inc. v. Employment Appeal Bd.*, 710 N.W.2d 1, 3 (Iowa 2005). There is no presumption the assessed value is correct, but the taxpayer has the burden of proof. §§ 441.21(3); 441.37A(3)(a). The burden may be shifted; but even if it is not, the taxpayer may still prevail based on a preponderance of the evidence. *Id.*; *Compiano v. Bd. of Review of Polk Cnty.*, 771 N.W.2d 392, 396 (Iowa 2009) (citation omitted).

### **Findings of Fact**

The subject property is a brick one-story light industrial building operated as a printing and letter service center. It has a weighted age of 1985 with 6000 square feet of gross building area, which includes 2312 square feet of finished area. There is also 4800 square feet of asphalt paving. The improvements are listed in normal condition with a 4+05 grade (average quality). The site is 0.336 acres. (Ex. A).

Mark Daggy testified they have owned the subject property since 1996 when they purchased it for \$142,000. His son operates a business from the property. Daggy testified the roof is leaking and needs replaced. He submitted photos taken in March 2022 to support this opinion. (Exs. 1 & 3). The photos show interior and exterior water damage.

He did not offer any evidence of the subject's market value such as comparable sales adjusted for differences between them and the subject property, or any other professional analysis such as a comparable market analysis.

Austin Viggers is a commercial appraiser with the Polk County Assessor's Office. Viggers reviewed the cost approach and did a sales comparison approach as a secondary check to the subject's valuation. The cost approach indicated a value of \$364,900 and the sales comparison approach indicated a value of \$360,000; roughly twice the current assessed value. (Exs. D & E). Viggers explained the subject's 2021

assessed value was based on a 35% increase to all warehouse properties in Polk County from the 2020 assessment. (Ex. K).

For the sales comparison analysis, Viggers analyzed five warehouse sales in the Des Moines area. (Exs. E-J). The sales occurred between 2018 and 2021, with sale prices ranging from \$220,000 to \$625,000; or \$41.70 per square foot to \$64.70 per square foot. All of the sales were built between 1960 to 1980. After adjustments for various factors, the sales had indicated values ranging from \$40.74 per square foot to \$62.87 per square foot, with three of the sales having an adjusted sale price of \$60.00 per square foot or higher. Viggers reconciled to \$60.00 per square foot, or \$360,000. The subject's January 1, 2021 assessment is set at \$31.00 per square foot.

Immediately prior to the hearing, Viggers reviewed the photos submitted by Daggy. He testified that even if the condition were lowered to below-normal, he does not expect the indicated value by the sales comparison approach to be lower than the current assessed value of the subject property.

### **Analysis & Conclusions of Law**

Daggy claims the subject property is assessed for more than the value authorized by law. § 441.37(1)(a)(1)(b).

There is no presumption the assessed value is correct, but the taxpayer has the burden of proof. §§ 441.21(3); 441.37A(3)(a). The burden may be shifted; but even if it is not, the taxpayer may still prevail based on a preponderance of the evidence. *Id.*; *Compiano v. Bd. of Review of Polk Cnty.*, 771 N.W.2d 392, 396 (Iowa 2009) (citation omitted). When the taxpayer “offers competent evidence that the market value of the property is different than the market value determined by the assessor, the burden of proof thereafter shall be upon the officials or persons seeking to uphold such valuation.” Iowa Code § 441.21(3). To be competent evidence, it must “comply with the statutory scheme for property valuation for tax assessment purposes.” *Soifer v. Floyd Cnty. Bd. of Review*, 759 N.W.2d 775, 782 (Iowa 2009) (citations omitted).

In Iowa, property is to be valued at its actual value. § 441.21(1)(a). Actual value is the property's fair and reasonable market value. § 441.21(1)(b). Market value

essentially is defined as the value established in an arm's-length sale of the property. *Id.* "Sale prices of the property or comparable property in normal transactions reflecting market value, and the probable availability or unavailability of persons interested in purchasing the property, shall be taken into consideration in arriving at its market value." *Id.*

In an appeal alleging the property is assessed for more than the value authorized by law under section 441.37(1)(a)(1)(a), the taxpayer must show: 1) the assessment is excessive and 2) the subject property's correct value. *Soifer*, 759 N.W.2d at 780 (citation omitted). Other than interior photographs of the subject's condition, Daggy did not offer any evidence of the subject's market value that complies with section 441.21, such as an appraisal or a comparative market analysis. Without evidence of value, we cannot conclude the assessment is excessive or the property's correct value. This is necessary evidence to support an over assessment claim.

We understand modifying the subject's condition rating may not change to the assessment, but we suggest the Assessor's office consider a prospective change to ensure the property is correctly listed moving forward.

Because Daggy failed to offer any evidence of value, we find he has not demonstrated the property is assessed for more than the value authorized by law.

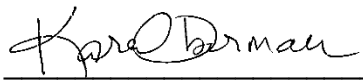
## **Order**

PAAB HEREBY AFFIRMS the Polk County Board of Review's action.

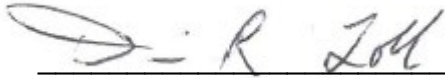
This Order shall be considered final agency action for the purposes of Iowa Code Chapter 17A (2021).

Any application for reconsideration or rehearing shall be filed with PAAB within 20 days of the date of this Order and comply with the requirements of PAAB administrative rules. Such application will stay the period for filing a judicial review action.

Any judicial action challenging this Order shall be filed in the district court where the property is located within 30 days of the date of this Order and comply with the requirements of Iowa Code section 441.37B and Chapter 17A.



Karen Oberman, Board Member



Dennis Loll, Board Member



Elizabeth Goodman, Board Member

Copies to:

Mark Daggy by eFile

Polk County Board of Review by eFile